

Company AS LHV Group
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Attachments:

- ASLHV-10004173301-en.pdf (<http://oam.fi.ee/en/download?id=4870>)
- ASLHV-10004173303-et.pdf (<http://oam.fi.ee/en/download?id=4871>)

Currency

Title LHV Group results for August 2020

In August, AS LHV Group earned EUR 4.3 million in net profit, incl. EUR 4.1 million in net profit by AS LHV Pank and EUR 0.4 million by AS LHV Varahaldus.

LHV continued to actively grow its business volumes in August and this was visible, above all, in the addition of a large number of new clients. More than 3,500 new clients joined the bank and Varahaldus obtained nearly 1,300 new active pension customers. In addition to the activity of clients, the monthly result was influenced also by decreased expenses and reduced provisions, but also by the operating performance of funds. For example, over the past few months, LHV Pension Fund Green has been the most productive among actively managed funds in Estonia.

As a result of the better than expected economic situation, LHV has outperformed its spring Financial Plan in terms of the volumes of deposits, loans and funds. When looking at the net profit, the company is ahead of its Financial Plan by EUR 8.0 million. An update in the Financial Plan shall be decided upon at the beginning of October, when the first grace periods granted in spring are going to end.

Deposits grew by EUR 65 million during the month, despite a decline of EUR 39 million in the more expensive deposits involved via deposit platforms. In August, the loan portfolio increased by EUR 11 million, a majority of which resulted from an increase in retail loans. Loan portfolio growth was influenced by more active loan repayment by clients. The volume of funds managed by Varahaldus grew by EUR 27 million during the month. The volume of transferred units reached a record high.

In August, we revealed our intention to involve EUR 25-35 million of new capital through subordinated bonds in September. LHV is maintaining its momentum and offering its clients value-added services. In August, we focused on introducing



the brand via an advertising campaign. We are the first bank in Estonia to offer a virtual ISIC card for students, and also provided a contactless payment option for users of Fitbit and Garmin devices.

AS LHV Group reports are available at <https://investor.lhv.ee/en/reports/>.

LHV Group is the largest domestic financial group and capital provider in Estonia. LHV Group's key subsidiaries are LHV Pank and LHV Varahaldus. LHV employs more than 480 people. LHV's banking services are used by more than 231,000 clients, and pension funds managed by LHV have over 182,000 active clients. LHV's UK branch offers banking infrastructure to 120 international financial services companies, via which LHV's payment services reach clients around the world.

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